(i) Inclusion of freight, transit shortages and carry-over charges on wheat being paid to the State Government and other agencies in the buffer carrying cost as per the recommendations of the Expenditure Reforms Commission (ERC). As a result of inclusion of these elements in the buffer carrying cost, the value has increased by Rs. 3222 crore.

(ii) Due to heavy procurement and lower offtake, FCI carried 130.68 lakh tonnes of buffer stock in 2002-03 (RE) in comprison to 50.79 lakh tonnes in 1996-97. The additional expenditure on this account would be Rs. 1301 crore at 1996-97 rates.

(iii) The balance increase in 2002-03 (RE) is on account of increase interest and handling costs.

Sale of foodgrains for export

†1241. SHRI RAJIV RANJAN SINGH 'LALAN':
SHRI LAJPAT RAI:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the Food Corporation of India had fixed target for the sale of wheat and rice for export during the year 2003-04;

(b) if so, the quantum of such wheat and rice separately; and

(c) the sale price fixed for wheat and rice and to what extent this sale price is less than the Economic Cost of the Corporation?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) and (b) There are no quantitative restrictions on export of foodgrains from the Central Pool except that the stocks should not be lower than the highest of the quarterly buffer stocking norms.

(c) Wheat and rice are offered to exporters at Open Market Sale Scheme (Domestic) prices, fixed by the Government from time to time, based on crop year, variety and location of stocks. Post Delivery and other WTO Compatible expenses are allowed to them. The difference

†Original notice of the question was received in Hindi.

between the Economic Cost and the Open Market Sale Scheme (Domestic) price varies variety-wise, quarter-wise, crop year-wise, etc.

Carrying cost of buffer stock in FCI

†1242. SHRI RAJIV RANJAN SINGH 'LALAN':
SHRI KAPIL SIBAL:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the carrying cost of buffer stock in the Food Corporation of India was Rs. 1,655.30 per tonne during the Ninth Five Year Plan which is being assessed to be Rs. 2,631.20 per tonne during the Tenth Five Year Plan;

(b) if not, the facts in this regard; and

(c) the reasons for this increase in cost togetherwith the contribution of each of these reasons for increase in the cost?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) and (b) Yes, Sir. The carrying cost of buffer stocks in the FCI is fixed year to year. However, for the years 1997-98 (BE) and 2002-03 (BE) the carrying cost of buffer is as under:—

	Rate Rs. per tonnes
1997-98 (BE)	1655.30
2002-03 (BE)	2631.20

(c) The increase in the carrying cost of buffer in 2002-03 (BE) in comparison to 1997-98 (BE) is due to:

(i) Inclusion of freight, transit shortages and carry-over charges on wheat being paid to the State Government and other agencies in the buffer carrying cost as per the recommendations of Expenditure Reforms Commission (ERC). As a result of inclusion of these elements in the buffer carrying cost, the cost has increased by Rs. 82.70 per quintal.

†Original notice of the question was received in Hindi.